MALAYSIAeBiz
BERNAMA WEEKLY BUSINESS ROUNDUP 25 JUNE - 1 JULY 2016

July 1, 2016

This Week's Highlight : Husni Resigns, Noh Omar Made Minister

NEW TEAM...Yang di-Pertuan Agong Tuanku Abdul Halim Mu'adzam Shah and Datuk Seri Najib Tun Razak, having a light moment with the prime minister's new Cabinet after the swearing-in ceremony at Istana Negara Monday. Pix: Nur Ain Shafinas FotoBERNAMA

PUTRAJAYA -- A former minister is back in the cabinet and a deputy minister made a full minister in a cabinet reshuffle announced by Prime Minister Datuk Seri Najib Tun Razak Monday. Former Agriculture and Agro-Based Industry Minister Tan Sri Noh Omar will now helm the Urban Wellbeing, Housing and Local Government Ministry, while Deputy Finance Minister Datuk Johari Abdul Ghani moves up as Second Finance Minister, replacing Datuk Seri Ahmad Husni Hanadzlah who has resigned.

This Week's Top Stories

Monday

Brexit To Impact EU's Standing As Top Global Trade Power

By Tengku Faezah Tengku Yusof

KUALA LUMPUR -- Britain's referendum to exit the European Union (EU), or Brexit, is likely to impact the union's standing as a top global trade power, said Head of the European Union Delegation to Malaysia, Luc Vandebon. The grouping, which now holds 22 per cent share of world trade, will see the number drop to between 18 and 19 per cent after the UK finalised its exit after two years, he told Bernama in a telephone interview Monday.

Tuesday

Maybank Allocates RM10 Mln Seed Capital For Waqf Fund

KUALA LUMPUR -- Maybank Islamic Bhd has allocated RM10 million seed capital for Waqf Perak Ar-Ridzuan (WPAR), which was launched in early April this year. Maybank Islamic Chief Executive Officer, Datuk Muzaffar Hisham, said Tuesday, the contribution to WPAR included up to RM5 million for the building of the student hostel for Universiti Islam Sultan Azlan Shah and a general cash waqf of up to RM5 million from the public.

Wednesday

MAHB Reserves Right To Maintain klia2 Brand

By Siti Radziah Hamzah

KUALA LUMPUR -- Malaysia Airports Holdings Bhd (MAHB) will reserve its right to maintain the klia2 brand including resorting to legal action, said Managing Director Datuk Badlisham Ghazali. "The brand stays. I hope Transport Minister Datuk Seri Liow Tiong Lai will inform AirAsia and we will see what happens next," he told Bernama after breaking fast at the news agency's headquarters Wednesday.

Thursday

TPPA's Off If US Does Not Ratify Pact - Rebecca

KUALA LUMPUR -- The Trans-Pacific Partnership Agreement (TTPA) will not be implemented nor re-negotiated if the United States does not ratify the trade pact. International Trade and Industry Ministry Secretary-General Tan Sri Dr Rebecca Fatima Sta Maria said Thursday, should that happen, the remaining 11 signatories to the TPPA would discuss the possibility of a different form of cooperation.

Friday

Malaysia's Jan-May Trade Rises To RM576.6 Bln

KUALA LUMPUR -- Malaysia's total trade for the period of January to May rose marginally to RM576.6 billion from RM574.44 billion during the same period last year, supported by trade expansion with the US, China, ASEAN, Turkey, Mexico and the European Union (EU). The International Trade and Industry Ministry (Miti) in a statement Friday, said the trade surplus grew 7.5 per cent to RM36.25 billion as against RM33.71 billion in the corresponding period of 2015.

SMEbrief

Mustapa Meets SMEs In Aerospace Industry

KUALA LUMPUR -- Minister of International Trade and Industry Datuk Seri Mustapa Mohamed Tuesday hosted an engagement programme with small and medium entreprises (SMEs) in the aerospace industry. The engagement was part of the government's commitment to ensuring the long-term development of the local aerospace industry as outlined in the Economic Transformation Programme's Business Services Entry Point Project 8: Developing SMEs in the Global Aerospace Manufacturing Industry.

Malaysia, S'pore Cos Urged To Tap MSBDF Fund

By Nor Baizura Basri

JOHOR BAHARU -- Malaysia and Singapore-based companies are encouraged to tap the Malaysia-Singapore Third Country Business Development Fund (MSBDF) as part of efforts to expand their business. Malaysia External Trade Development Corporation (MATRADE) Director for Southern Regional Office Raphy Md Radzi told Bernama Tuesday, the fund, which was set up in July 2004, was still under utilised.

SME Bank's Financing Portfolio Reaches RM5.4 Bln FY15

KUALA LUMPUR -- SME Bank's financing portfolio recorded a double-digit growth or RM5.4 billion in the financial year ended Dec 31, 2015, said Group Managing Director Datuk Mohd Radzif Mohd Yunus. "Our performance is in line with the performance of the small and medium enterprises (SME) industry which recorded a growth of between 5.0 and 6.0 per cent in 2015, despite facing various economic challenges," he said in a statement Thursday.

Upin & Ipin Choc Malt Drinks Available In August

PUTRAJAYA -- MGV Industries Sdn Bhd and Les' Copaque Sdn Bhd Thursday signed a collaboration agreement that will facilitate the production of nutritious beverage under the brand name of 'Upin & Ipin'. MGV Industries Managing Director Zakaria Jusoh said under the three-year contract, worth RM44.36 million, the chocolate malt-flavoured drink would be available in Malaysia and Indonesia, beginning August.

'Audit Desk' To Facilitate Halal Food Entry To Indonesia

By Azeman Ariffin

JAKARTA -- The Malaysian halal food products can now penetrate the Indonesian market after the republic's government agreed to set up a 'audit desk' for the entry of the products. Minister of International Trade and Industry, Datuk Seri Mustapa Mohamed, said Thursday, via the 'desk audit', it would be easier for the Indonesian government to recognise the halal certificates issued by the Department of Islamic Development Malaysia (Jakim).

PropUP

Property update

Maybank Joint Lead Arranger For US$219 Mln New York Project

KUALA LUMPUR -- Malaysia's largest banking group, Maybank, was appointed joint lead arranger with Warba Bank of Kuwait for the construction of a luxury residential tower in New York worth US$219 million (US$1=RM4.12).

Group Head of Global Banking Datuk Amirul Feisal Wan Zahir said in a statement Monday, the project, which was Maybank's first shariah-compliant financing, would be used for the construction of a 43-storey Tribeca condominium in Manhattan, developed by Soho Properties.

Eco Horizon To Acquire BKDSB Land For RM681.99 Million

KUALA LUMPUR -- Eco Horizon Sdn Bhd, a wholly-owned unit of Eco World Development Group Bhd, has signed a conditional sale and purchase agreement with Batu Kawan Development Sdn Bhd (BKDSB) to acquire a piece of land in Seberang Perai, Penang, for RM681.99 million. In a filing to Bursa Malaysia Tuesday, Eco World said its unit has also signed a revocation and rescission agreement with BKDSB and Silver Setup Sdn Bhd (SSSB), a wholly-owned unit of Malton Bhd, to revoke and rescind the joint development agreement made between both companies in Oct 10, 2012.

Tanjung Aru Beach To Begin Transformation Next Year

KOTA KINABALU -- The Tanjung Aru beach here will begin its transformation to turn into a 348-hectare eco-friendly integrated waterfront next year. Project management company, Savills Development, will begin the first of four-phase Tanjung Aru Eco Development (TAED) in the first quarter of next year and the entire project is expected to be completed end-2019, said Project Director, Peter Adam at a media briefing Tuesday.

Property Developers Remain Positive Over UK Businesses

KUALA LUMPUR -- Property developers, SP Setia Bhd and Eastern & Oriental Bhd, are still optimistic of the outlook for their businesses in the United Kingdom (UK) following the results of the Brexit's referendum. In a filing to Bursa Malaysia Wednesday, SP Setia said amidst the short-term uncertainty in the aftermath of Brexit, the company was still positive of the long-term prospects of its Battersea project and remain committed to the development of the entire project, which was expected to be fully developed by 2025.

MK Land To Develop New Industrial Area At Beriah Valley

BAGAN SERAI -- MK Land Holdings Bhd, a leading property developer in Malaysia, plans to develop a new industrial area soon at the Beriah Valley, Alor Pongsu, near here. MK Land founder Tan Sri Mustapha OKamal Abu Bakar said Thursday, the move is an effort by the company to expand operations to a new segment and reduce dependence on the Bukit Merah Laketown Resort.

BURSA MALAYSIA

Scoreboard

Gainers - 295

Losers - 413

Not Traded - 667

Unchanged - 332

Value - 1133894593

Volume - 11309559

MARKET

Exchange Rate
(Ringgit : Foreign Currency)

	Buying	Selling
US	3.9960	3.9010
S'PORE	2.9710	2.9769
YEN	3.8955	2.8034
POUND	5.3147	2.3241
EURO	4.4376	4.4455

Source: Bank Negara Malaysia

Bursa Malaysia Ends Lower As Investors Liquidate Positions

KUALA LUMPUR -- Bursa Malaysia closed lower Friday as investors liquidated positions ahead of the holiday shortened trading next week due to the Hari Raya break, a dealer said.

At 5 pm, the FTSE Bursa Malaysia KLCI (FBM KLCI), which opened 0.92 of a point easier at 1,653.16, ended at 1,646.22 from Thursday's close of 1,654.08. It moved between 1,644.64 and 1,654.28 throughout the day.

Market breadth was negative as losers led gainers 413 to 295, with 332 counters unchanged, 667 untraded and 20 others suspended. Total volume increased to 1.13 billion units worth RM1.13 billion from Thursday's 1.46 billion units worth RM2.04 billion.

The dealer said Friday's local market sentiment was in contrast to that of its regional peers with the benchmark Nikkei index rising 0.68 per cent to 15,628.48, South Korea's Kospi soaring 0.86 per cent to 1,987.32 and Singapore's Straits Times gaining 0.19 per cent to 2,846.37.

This was alongside Wall Street's better overnight performance and the improvement in global oil prices. Main Market turnover declined to 876.00 million shares worth RM1.09 billion from Thursday's 907.96 million shares worth RM1.89 billion.

FOREX: Ringgit Closes Higher Against US Dollar

KUALA LUMPUR -- The ringgit closed higher against the US dollar on the first day of the second half of the year as the Asian market conditions remained relatively calm post-Britain exit (Brexit) referendum. At 5 pm, the ringgit was higher at 3.9960/9010 against the greenback from Thursday's closing of 4.0280/0350. Standard Chartered Global Research, Asia FX Strategist, Divya Devesh, said better risk sentiment globally and a rebound in oil prices also supported the ringgit. "Some foreign investors are also moving into the ringgit assets," he told Bernama Friday. Benchmark Brent crude was trading at US$49.96 per barrel at 0649 GMT, up 25 US cents from its previous closing. Meanwhile, FXTM Research Analyst, Lukman Otunuga, said the Brexit has amalgamated with the toxic mixture of events which had incessantly obstructed all efforts taken by the US Federal Reserve to raise interest rates this year. "With optimism rapidly diminishing over any rate increases, the US dollar could be exposed to losses moving forward," said Lukman. Against other major currencies, the ringgit was traded higher. It rose against the Singapore dollar to 2.9710/9769 from 2.9850/9913 on Thursday and appreciated against the yen to 3.8955/8034 from 3.9171/9251 on Thursday. The local unit was higher against the British pound at 5.3147/3241 from 5.4293/4412 on Thursday and strengthened against the euro to 4.4376/4455 from 4.4791/4873 Thursday.

Money-Market: Short-Term Rates Close Stable

KUALA LUMPUR -- Short-term interbank rates closed stable Friday on Bank Negara Malaysia's (BNM) intervention to absorb excess liquidity from the financial system. The liquidity surplus in the conventional system fell to RM29.35 billion from RM29.58 billion earlier, while in the Islamic system, it declined to RM5.71 billion from RM16.09 billion. BNM had earlier called for three tenders of two conventional money market tenders and an Islamic range maturity auction Qard tender. The central bank also conducted a conventional money market tender for RM26 billion and a RM5.7 billion Qard money market tender, both for three-day money. The overnight Islamic reference rate stood at 3.20 per cent, while the one-week, two and three-week rates were pegged at 3.31 per cent, 3.35 per cent and 3.40 per cent respectively.

KLIBOR Futures Close Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contract on Bursa Malaysia Derivatives closed untraded Friday. July 2016 and August 2016 were pegged at 96.35, respectively, while September 2016 and December 2016 stood at 96.40, respectively. Open interest was nil. At the 11 am fixing, the underlying three-month KLIBOR stood at 3.65 per cent.

KLCI Futures Contracts End Lower

KUALA LUMPUR -- The FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives ended lower Friday in line with the weaker cash market performance. July 2016 fell 7.5 points to 1,646.0, August 2016 decreased 12.5 points to 1,641.0, September 2016 was down 6.5 points to 1,636.5 and December 2016 shed five points to 1,627. Turnover narrowed to 4,766 lots from 12,353 lots Thursday, while open interest was lower at 38,154 contracts from 55,798 contracts. The benchmark FBM KLCI closed at 7.86 points lower at 1,646.22.

ASNB Announces 6.30 Sen Income Distributions For ASD, 3.45 Sen For ASN 2

KUALA LUMPUR -- Amanah Saham Nasional Bhd (ASNB), a wholly-owned unit of Permodalan Nasional Bhd (PNB), has announced income distributions of 6.30 sen per unit for Amanah Saham Didik (ASD) and 3.45 sen per unit for Amanah Saham Nasional 2 (ASN 2), for financial year ending June 30, 2016. PNB Chairman, Tun Ahmad Sarji Abdul Hamid told reporters here Monday, the income distribution for ASD involved a payout of RM329.12 million, benefiting 307,784 unit holders who subscribed for 5.23 billion units.

RHB Bank Group Completes Corporate Restructuring

KUALA LUMPUR -- RHB Banking Group completed its corporate restructuring exercise when RHB Bank Bhd assumed the listing status of RHB Capital Bhd on the main market of Bursa Malaysia Tuesday. At the opening bell, its shares opened at RM4.64, a discount of five sen against the reference price of RM4.69, with 4,100 shares changing hands.

Sufficient Supply Of British Pound Sterling - MAMSB

KUALA LUMPUR -- The Malaysian Association of Money Services Business (MAMSB) Tuesday assured the public that there is sufficient supply of the pound sterling in the market to meet current demand. However, following the results of the United Kingdom's referendum on its membership in the European Union, the exchange rate for the pound sterling, along with other major currencies, have seen significant volatility, MAMSB said in a statement.

Maxis' Unit To Issue RM10 Bln Islamic Bonds

KUALA LUMPUR -- Maxis Bhd says its unit, Maxis Broadband Sdn Bhd (MBSB), is to issue a RM10 billion Sukuk Murabahah Programme. In a filing to Bursa Malaysia here Wednesday, Maxis said the unrated programme shall have a tenure of more than one year and up to 30 years. It said the proceeds would be utilised to, among others, finance the capital expenditure and working capital requirements of MBSB and its units.

Pound Sterling Retail Rate Moving Closer To Interbank Rate - MAMSB

KUALA LUMPUR -- The Malaysian retail currency exchange rate for pound sterling is moving closer in line with the interbank rate, said the Malaysian Association of Money Services Business (MAMSB) said in a statement here Thursday. Its president Ramasamy K Veeran said the mechanism and speed of exchange rates to adjust to changes in the market conditions for the physical foreign currency market normally differed from the interbank rate or mid-market rates that could be sourced online.

MFPC Is The Best Educational Institute In Banking & Insurance

KUALA LUMPUR -- The Malaysian Financial Planning Council (MFPC) has been recognised as the Best Educational Institute in Banking and Insurance at the World Education Congress Global Awards 2016. In a statement here Thursday, MFPC said they were honoured with the award for producing professionally qualified and knowledgeable financial planners, as well as, for educating the general public about financial planning through their efforts such as 'My Money & Me' programme and Registered Financial Planner (RFP) programme.

Business As Usual For Commercial Banks On July 8 - ABM

KUALA LUMPUR -- The Association of Banks in Malaysia (ABM) Thursday clarified that it will be business as usual on July 8 for commercial banks. Only bank branches in Kelantan and Terengganu would be closed as both states observed Friday as their weekend as well as in Pulau Pinang in conjunction with the Georgetown Heritage Day, ABM said in a statement Thursday.

HLFG, Unit Get BNM Greenlight

KUALA LUMPUR -- Hong Leong Financial Group Bhd (HLFG) and its unit, HLA Holdings Sdn Bhd (HLAH), have received Bank Negara Malaysia nod to commence talks with certain parties on possible acquisitions by them of HLAH's stake in Hong Leong Assurance Bhd (HLA) and Hong Leong MSIG Takaful Bhd. The negotiations must be be concluded within six months from June 23, 2016, it said in a filing to Bursa Malaysia here Thursday.

Zurich To Expand Into Takaful Business Through MAAT Acquisition

KUALA LUMPUR -- Zurich Insurance Group is set to expand into takaful business after it has completed the acquisition of MAA Takaful Bhd (MAAT) from MAA Group Bhd and Solidarity Group Holdings BSC via its unit, Zurich Insurance Co Ltd, for RM525 million. Chief Executive Officer, Zurich Insurance Malaysia Bhd, Philip Smith told reporters here Thursday, the acquisition would allow the company to enter a new customer segment with a different range of products.

SapuraKencana's Pre-Tax Profit Falls In Q1

KUALA LUMPUR -- SapuraKencana Petroleum Bhd's pre-tax profit for the first quarter ended April 30, 2016, dropped to RM124.62 million from RM336.34 million recorded in the same period last year. In a filing to Bursa Malaysia here Tuesday, the group attributed the easier pre-tax profit to lower pre-tax profit from the engineering, construction and energy business segments.

MOGSEC 2016 Eyes RM350 Mln In Sales

KUALA LUMPUR -- The Malaysia Oil & Gas Services Exhibition and Conference (MOGSEC) 2016, scheduled from Sept 28-30 at the Kuala Lumpur Convention Centre is expected to generate RM350 million in sales. Malaysian Exhibition Services Sdn Bhd General Manager Alun Jones told reporters here Tuesday, this year's exhibition would attract participation from 300 companies and is expected to draw some 10,000 visitors.

Mitsui Outlet Park Eyes 8 Mln Customers This Year

By Norsyafawati Ab Wahab

PUTRAJAYA -- Mitsui Outlet Park (MOP) KLIA Sepang is targeting to attract eight million customers this year, on the back of positive response from the public and tourists since its opening in the middle of last year. "In the first seven months of operations, we managed to attract about four million customers despite a slower consumer spending trend due to lukewarm economic growth globally," said Deputy Managing Director of MFMA Development Sdn Bhd (MFMA), TJ Cheah.

GHL Expects TPA To Drive Earnings Growth This Year

KUALA LUMPUR -- Payment service provider, GHL Systems Bhd, expects Transaction Payment Acquisition (TPA) to drive earnings growth this year. Group Chief Executive Officer Kanagaraj Lorenz told reporters here Wednesday topline and bottomline earnings this year would be supported by the aggressive deployment of Transaction Payment Acquisition (TPA) domestically and in the Philippines.

MAHB Expects Better Passenger Traffic In 2nd Half Of 2016

SEPANG -- Malaysia Airports Holdings Bhd (MAHB) expects passenger traffic at Malaysian airports to improve further in the second half of this year following a pick up in momentum early this year. Managing Director Datuk Badlisham Ghazali told reporters here Wednesday, 2015 was a challenging year for Malaysian airports as the Kuala Lumpur International Airport (KLIA) had shown a flat growth, predominantly due to residual effect of two tragedies involving the national carrier (MH370 and MH17) and also Malaysia Airlines' restructuring.

George Kent Q1 Pre-Tax Profit Rises To RM20.3 Mln

KUALA LUMPUR -- George Kent (M) Bhd's pre-tax profit for the first quarter (Q1) ended April 30, 2016 rose to RM20.3 million from RM13.2 million in the same quarter last year. The group's revenue increased to RM123 million from RM59 million previously, it said in a filing to Bursa Malaysia Wednesday.

Berjaya Corp Profit Drops 91 Pct On Impairment Loss

KUALA LUMPUR -- Berjaya Corporation Bhd's pre-tax profit dropped 91 per cent for its financial year ended April 30, 2016 due to an impairment loss amounting to RM770.82 million. The company registered a pre-tax profit of RM125.1 million as compared with RM1.388 billion in the 2015 financial year, while revenue stood at RM9.01 billion as compared with RM9.51 billion previously, it said in a filing to Bursa Malaysia here Wednesday.

MATRADE Eyes Up To RM3 Bln In Business Deals At FIA

KUALA LUMPUR -- Malaysia is expected to reap up to RM3 billion in business deals from its participation in the Farnborough International Airshow (FIA), United Kingdom, this year, says the Malaysia External Trade Development Corporation (MATRADE). Transport, Defence and Maintenance, Repair and Overhaul (MRO) Division Director Md Silmi Abd Rahman told reporters here Thursday, RM2.02 billion in business deals were clinched at 2014's airshow.

AEON Credit Service Q1 Pre-Tax Profit Rises To RM84.12 Mln

KUALA LUMPUR -- AEON Credit Service (M) Bhd's pre-tax profit for the first quarter ended May 31, 2016 rose to RM84.12 million from RM76.27 million in the same quarter last year. In a filing to Bursa Malaysia here Thursday, the company said its revenue increased to RM261.64 million from RM232.44 million previously.

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MATRADE Expects Msia-Turkey Trade To Maintain Last Year's Momentum
KUALA LUMPUR -- Malaysia expects to maintain its total trade with Turkey this year, despite the global economic uncertainty coupled with the geopolitical issue plaguing Turkey recently, said the Malaysia External Trade Development Corporation. Chief Executive Officer Datuk Dzulkifli Mahmud told reporters here Monday, last year, Malaysia's total trade with Turkey amounted to RM5.65 billion while exports to that country were valued at RM3.80 billion with imports at RM1.85 billion.

Prasarana To Transform Putra Heights Station As LRT Icon
PETALING JAYA -- Prasarana Malaysia Bhd will transform the newly-completed Putra Heights LRT Station into an iconic structure for light rapid transit (LRT) considering its unique design and strategic location. President/Chief Executive Officer Datuk Azmi Abdul Aziz told reporters here Monday, it would look at new initiatives to bring out the design of the station during the day and at night, while still maintaining the RM8 billion budget.

AirAsia To Acquire T&Co Coffee
KUALA LUMPUR -- AirAsia Bhd is acquiring an 80 per cent stake in its inflight coffee and tea solutions provider, T&Co Coffee Sdn Bhd, for RM914,000 In a filing to Bursa Malaysia here Monday, the low-cost carrier said the purchase would be satisfied partly by RM814,000 in cash and the remaining, via AirAsia credit shell of RM100,000.

Boeing Launches 2nd Century Of Aerospace Leadership At Farnborough
KUALA LUMPUR -- Boeing would celebrate its 100th anniversary at the Farnborough International Airshow, displaying advanced commercial and defence platforms, and presenting a unique exhibit to commemorate its first century and look ahead to the future. The first jetliner of Boeing's second century -- the 737 MAX -- would make its air show debut with flying displays from July 11-14. Boeing expects to deliver the first 737 MAX 8 in the first half of 2017, ahead of schedule, it said in a statement here Tuesday.

MITI To Streamline Investment Promotion Agencies
KUALA LUMPUR -- The Ministry of International Trade and Industry (MITI) will streamline its investment promotion agencies (IPAs), making them more focused on their objective of attracting investments. Minister Datuk Seri Mustapa Mohamed told reporters here Tuesday, apart from the Malaysian Investment Development Authority (MIDA) as the leader in attracting investments to Malaysia, there are also IPAs for economic corridors such as the Sarawak Corridor of Renewable Energy (SCORE), East Coast Economic Region (ECER), North Coast Economic Region (ECER), Iskandar Malaysia as well as Greater KL's InvestKL.

Chile To Be Hub For Entry Of Proton Cars Into Latin America
KUALA LUMPUR -- Chile will be made the hub for the entry of Proton cars into the Latin American market, says Malaysian Ambassador to the country, Datuk Dr Mohamad Rameez. He told Bernama in a statement here Wednesdayu, a meeting held last week between the embassy in Santiago with the Chilean Taxi Association or Federation, would further enhance the demand for Proton cars.

PTP To Invest More Than RM8.6 Bln For Expansion
ISKANDAR PUTERI -- The Port of Tanjung Pelepas (PTP) will invest more than RM8.6 billion to expand the port's capacity over the next five to 15 years. Chairman Datuk Seri Che Khalib Mohamad Noh told reporters here Tuesday, the immediate plan was to embark on a comprehensive upgrading, refurbishment of quay cranes and rubber tyred gantries.

ICPT Rebate Of 1.52 Sen/kWH Effective July 1-TNB
KUALA LUMPUR -- Tenaga Nasional Bhd (TNB) Wednesday announced that the Malaysian government has declared an Imbalance Cost Pass-Through (ICPT) rebate of 1.52 sen/kilowatt hour (kWh) effective July 1 until Dec 31, 2016. This ICPT rebate amounts to RM758.03 million and is made possible by lower liquefied natural gas and coal prices, higher performance of coal power plants and a reduction

in the use of LNG for electricity generation, TNB said in a filing to Bursa Malaysia Wednesday.

AirAsia's LCCT Campaign On With US$5 Mln Investment
PUTRAJAYA -- AirAsia will continue to promote klia2 as the Low-Cost Carrier Terminal (LCCT) with a whopping US$5 million (RM20 million) to be spent on its marketing campaign, says Group Chief Executive Officer Tan Sri Tony Fernandes. "In anticipation of more LCCTs (coming up in the future), we will call it LCCT KL, the low cost hub of Asia, and a one-stop to anywhere in Asia at the lowest fare," he tweeted after meeting Minister of Transport Datuk Seri Liow Tiong Lai here Wednesday.

Malaysia Aviation Group Names Peter Bellew As MAB CEO
KUALA LUMPUR -- Malaysia Aviation Group Bhd (MAG) has appointed Peter Bellew as Group Managing Director and Chief Executive Officer of Malaysia Airlines Bhd (MAB), taking over from Christoph Mueller, effective July 1. Bellew, who is currently MAB Chief Operating Officer and Executive Director of MAG and MAB, has also been appointed as Group Managing Director and Chief Executive Officer of MAG.

PwC Survey: Online Shopping Becomes New Normal For M'sians
KUALA LUMPUR -- Online shopping is gradually becoming the new normal for Malaysians, with almost half of Malaysian consumers making online purchases at least monthly, according to PwC's Total Retail 2016 Survey (Southeast Asia report). In a statement here Friday, PwC said the growth is encouraging considering that Malaysian consumers are relatively new to the online marketplace.

Usage Of Renminbi For Payments In M'sia Gaining Momentum
KUALA LUMPUR -- The use of renminbi for payments in Malaysia with China and Hong Kong has increased by 68 per cent over the last 12 months and by 214 per cent over the last three years. HSBC Bank Malaysia Chief Executive Officer, Mukhtar Hussain, said in a statement here Friday, Malaysia had been China's largest trading partner, as well as, China's top trading partner in ASEAN, with annual bilateral trade volume topping US$100 billion (US$1=RM3.99).

Bandai Namco Opens Malaysian Studio
KUALA LUMPUR -- Global game and interactive content developer, Bandai Namco Studios Inc, with the help of the Malaysia Digital Economy Corporation (MDEC), has set up a studio in Kuala Lumpur known as Bandai Namco Studios Malaysia Sdn Bhd (BNSMY). The new studio would collaborate with Bandai Namco Singapore Studios (BNSS) to focus on the development of content for their customers in the world, MDEC said in a statement here Friday.

Brexit Impact On M'sia's Economic Growth Insignificant - Irwan Serigar
PUTRAJAYA -- The impact of Britain's vote to leave the European Union (EU), or Brexit, on Malaysia's economic growth is not significant, says Treasury Secretary-General Tan Sri Mohd Irwan Serigar Abdullah. He told reporters here Friday, at present, the country's economy is on the right track to maintain its Gross Domestic Product growth of between 4.0 and 4.5 per cent this year, as indicated by the 4.2 per cent growth posted in the first quarter.

MAHB, AirAsia To Work On Suitable Tagline To Promote klia2
SEPANG -- Transport Minister Datuki Seri Liow Tiong Lai has called on Malaysia Airport Holdings Bhd (MAHB) and AirAsia Bhd (AirAsia) to work together on a suitable tagline to promote the Kuala Lumpur International Airport 2 (klia2) as low-cost carrier hub in Asia. Welcoming AirAsia's proposal to make klia2 a low-cost carrier hub, he told reporters here Friday, the government and MAHB were supportive of the initiative. Therefore, he said the promotion, including website and promotional items need a bit of tweaking.

IKEA Malaysia Recalls Dark Chocolate Bars

KUALA LUMPUR -- IKEA Malaysia has recalled two types of dark chocolate bars -- Choklad Mork 60 per cent and Chokland Mork 70 per cent, due to insufficient declaration of presence of milk and hazelnut. “Safety is of highest priority to IKEA and the recall affects all ‘Best Before Dates’ (BBD) for Choklad Mork 60 per cent 100g and Chokland Mork 70 per cent 100g. The BBD can be found on the back side of the chocolate bar packaging (Year/Month/Date),” IKEA Malaysia said in a statement here Monday.

AirAsia Moves To Terminal 1 In Yangon, Myanmar

KUALA LUMPUR -- The AirAsia Group would relocate its operations in Yangon, Myanmar, to Terminal 1 from Terminal 2, at present, effective Tuesday. “Passengers travelling on all flights operated by Malaysia AirAsia (flight code AK) and Thai AirAsia (flight code FD) are advised to check-in at Terminal 1, which is a walking distance from the old terminal, it said in a statement here Monday.

ACCA Partners BPP Uni To Offer Free English Courses Online

KUALA LUMPUR -- The Association of Chartered Certified Accountants (ACCA) has partnered with BPP University to offer ACCA students access to free English courses online. In a statement here Monday, the ACCA said the courses, written and delivered by BPP University’s School of Foundation and English Language, would provide about 70 one-hour modules.

Enrich Offers Double Miles Reward For Travel To Australia

KUALA LUMPUR -- Malaysia Airlines frequent flyer programme, Enrich, is offering members double the miles for their travel to Australia. In a statement here Tuesday, Malaysia Airlines said the offer period ends on July 7th and members can start travelling from July 1-Sept 30.

iPay88 Partners PayPal To Ease Cross-Border Trading

KUALA LUMPUR -- iPay88 Sdn Bhd, a subsidiary of NTT Data Group, has collaborated with PayPal to ease cross-border trading and payment for iPay88’s existing base of close to 10,000 local eMerchants. In a joint statement here Tuesday, iPay88 said the collaboration would allow eMerchants, which included small and medium enterprises (SME) and large conglomerates, to register with PayPal and enable them to sell their goods and services cross-border.

Bursa Malaysia And TWSE Sign 2nd MoU

KUALA LUMPUR -- Bursa Malaysia Bhd and Taiwan Stock Exchange Corporation (TWSE) Tuesday signed a second Memorandum of Understanding (MoU) to jointly study the potential of cross-border cooperation. In a statement here Tuesday, Bursa Malaysia said the move was also to explore capital market opportunities, exchange traded funds, indices, market connectivity and market promotional activities.

PUC Unit, FMC To Explore Auto Financing Provision

KUALA LUMPUR -- PUC Founder (MSC) Bhd’s subsidiary, Founder Pay Sdn Bhd (FPSB), and the Federation of Motor & Credit Company Association of Malaysia (FMC) are collaborating to explore the provision of financing independent car retailers, small car supermarkets and dealers. FMC is a trade association established to safeguard the interest of car dealers and credit providers. In a filing to Bursa Malaysia here Tuesday, PUC Founder said FMC also intended to promote the motor credit business via the collaboration.

FGV’s Unit Unveils New Saji Chocolate, Bandung Creamers

KUALA LUMPUR -- Felda Global Ventures Holdings Bhd (FGV) subsidiary, Delima Oil Products Sdn Bhd, Wednesday introduced its new chocolate and bandung flavoured creamers under the Saji product line. Head of FGV Downstream Cluster Azman Ahmad said Delima Oil has been putting a lot of effort in research and development to diversify its product range in its bid to strengthen its downstream business.

Malindo Adds More Domestic Flights For Hari Raya

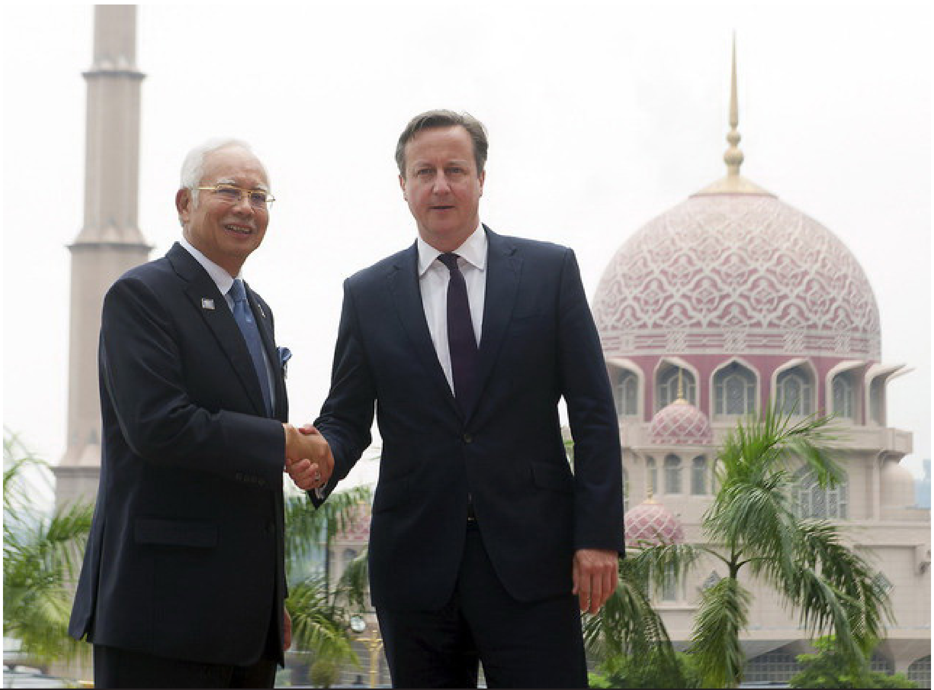
KUALA LUMPUR -- Malindo Air will increase flight frequencies for selected domestic destinations departing from Sultan Abdul Aziz Shah Airport during the July 4-17 period in conjunction with the Hari Raya holidays. Chief Executive Officer Chandran Rama Muthy said in a statement here Wednesday, it would involve Kota Baharu, Alor Setar, Langkawi, Kuala Terengganu, Penang as well as the Ipoh-Johor Baharu and Melaka-Penang routes.

Mustapa To Lead M’sian Delegation To 2nd JTIC Meeting In Jakarta

KUALA LUMPUR -- International Trade and Industry Minister, Datuk Seri Mustapa Mohamed will lead a delegation to the Second Indonesia-Malaysia Joint Trade and Investment Committee (JTIC) meeting in Jakarta, Indonesia on June 30, 2016. The meeting, to be co-chaired with Indonesian Trade Minister, Thomas Trikasih Lembong, is a platform to strengthen trade and investment ties between both countries.

EU Awaits UK's Brexit Impact Report - Envoy

By Azzah Mohamad Som



CAMERON STEPS DOWN...British Prime Minister David Cameron is to step down by October after the UK voted to leave the European Union. (2015 file picture of Cameron with Prime Minister Datuk Seri Najib Tun Razak in Putrajaya during the former's visit to Malaysia and the region last year). Pix Muhammad Zulhilmi Daud FotoBERNAMA

KUALA LUMPUR (Bernama) -- The Head of the European Union (EU) Delegation to Malaysia, Luc Vandebon, described the Britain Exit referendum, or Brexit, as unprecedented, saying that Britain is now expected to give effect to this decision as soon as possible.

"We now expect that since the United Kingdom has decided to leave the EU, the UK government will give effect to this decision of the British people as soon as possible, however painful that process may be," Vandebon said in a telephone interview with Bernama.

The EU hoped the UK would invoke Article 50 of the Treaty of Lisbon as soon as possible, the envoy said, commenting on the historic referendum, which saw the "Leave" camp obtaining nearly 52 per cent of ballots, pulling the country out of the bloc after 43 years of membership.

Among other things, Article 50 states that any member state may decide to withdraw from the union in accordance with its own constitutional requirements.

UK REMAINS EU MEMBER

Vandebon said the moment Article 50 was invoked, negotiations on the terms and conditions of UK's withdrawal from the EU could start, adding that the process will last two years.

During the two years, the UK will remain a member of the EU with full rights and obligations, and all the EU legislations will continue to apply within the UK as well, he said.

"As I said we regret the outcome of the referendum. We obviously would have like the UK to remain a member of the EU, that is now not going to be the case. We, as well as the UK will now have to live the consequences of this decision," he said.

On a report which said that by cutting loose from the EU, Britain will be able to rein in high levels of immigration and take back power from Brussels, the envoy said, that from now on it was up to the country to decide.

PROMOTING PEACE

"It is not up to us. They decide to go on their own, to not want to adhere anymore to EU regulations or legislation in this respect. So what the UK would want to set in place is up to the UK," the envoy said.

On another note, the envoy said, the EU will stand strong and uphold its core values of promoting peace and well being of its peoples, which was the core objective of the EU or the European community since its set-up in the 50s.

Vandebon said this was the statement issued after meetings were held between the presidents of the European Council, Commission and Parliament -- Donald Tusk, Jean-Claude Juncker and Martin Schulz, respectively -- and Mark Rutte, the Prime Minister of the Netherlands, which holds the EU's rotating presidency, over the weekend, following the result of the referendum.

-- BERNAMA

LIST OF MARKET REPORTS :

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2. Forex
3. Money Market
4. FBM KLCI Futures
5. Crude Palm Oil (CPO) Futures
6. Rubber Futures
7. KLIBOR Futures
8. Kuala Lumpur Tin Market (KLTM)
9. Gold Futures

BURSA MALAYSIA

BURSA Malaysia To Remain Quiet
By Nurunnasihah Ahmad Rashid

KUALA LUMPUR -- Bursa Malaysia is expected to remain quiet next week as most traders will be on holiday for Hari Raya which is expected to start from Wednesday. A dealer told Bernama share prices will likely succumb to profit-taking as investors looked to square off their positions ahead of the holiday-shortened trading week.

"While we expect sideway short-term profit-taking to continue at the current 1,600-1,665 resistance level, eventually the local market should trend higher following the expectation of uptrend trading following the regional peers as the Britain exit (Brexit) referendum effects have eased," he said.

On the domestic front, he said, the market's performance will also depend on the ringgit's movements against the US dollar as well as the global oil prices. For the week just-ended, trading was mixed with bargain hunting seen in selective heavyweights. Profit-taking across-the-board emerged on Friday.

Weekly turnover fell to 1.13 billion units worth RM1.13 billion from last Friday's 2.23 billion units worth RM2.36 billion. Main market volume declined to 876 million shares valued at RM1.09 billion from 1.35 billion shares valued at RM2.17 last Friday.

FOREX: Ringgit Likely To Increase Against US Dollar
By Rosemarie Khoo

KUALA LUMPUR -- The ringgit is likely to trend higher against the US dollar next week as sentiment towards the Britain exit (Brexit) referendum gradually improved. Affin Hwang Investment Bank Vice-President/ Head of Retail Research, Datuk Dr Nazri Khan Adam Khan, said the impact of Brexit may not be as ugly as expected since the United Kingdom (UK) would take at least two years to sort out its exit from the European Union (EU).

"We expect the ringgit to improve next week as long as the politicians in the EU and UK manage the Brexit fallout smoothly. "Traders will also have a close look out for major central banks including European Central Bank, Bank of England and Bank of Japan hoping for more stimulus to further cushion their respective economies from potential Brexit fallout," he told Bernama.

For the week just-ended, the ringgit was traded mostly higher against the US dollar driven by improved Brexit sentiment and higher oil prices.

On a Friday-to-Friday basis, the local unit was higher at 3.9960/9010 against the US dollar from 4.0850/0950 in the previous week. It also ended higher against other currencies. The ringgit was up against the Singapore dollar to 2.9710/9769 from last week's 3.0148/0246 and rose against the yen to 3.8955/8034 from the previous week's 3.9668/9777.

The local note appreciated against the British pound to 5.3147/3241 from 5.6806/6961 previously and rose against the euro to 4.4376/4455 from 4.5450/5573 last Friday.

Money-Market: Short-Term Rates Expected To Remain Steady

KUALA LUMPUR -- The Malaysian money market is likely to remain steady next week on Bank Negara Malaysia's (BNM) intervention in the financial market to manage surplus liquidity. The central bank is expected to conduct daily tenders to reduce excess liquidity from the financial market.

For the week just-ended, BNM intervened on a daily basis to absorb excess funds by conducting several tenders -- conventional money market, Qard iRMA, repo, reverse repo, money market range maturity auction and Commodity Murabahah Programme.

On Friday, BNM's action helped reduce the market's liquidity surplus in the conventional system to RM29.35 billion from RM29.58 billion earlier. The market liquidity in the Islamic system fell to RM5.71 billion from RM16.09 billion previously.

The overnight rate stood at 3.20 per cent while the one-, two- and three-week rates were at 3.31 per cent, 3.35 per cent and 3.40 per cent respectively throughout the week. Meanwhile, the benchmark three-month interbank rate was at 3.65 per cent.

KLCI Futures To Be Lower

By Nurunnasihah Ahmad Rashid

KUALA LUMPUR -- The movements of the FTSE Bursa Malaysia KLCI (FBM KLCI) futures contracts (FKLI) on Bursa Malaysia Derivatives in the holiday-shortened trading next week are expected to be determined by the performance of the underlying cash market.

A dealer said it was unlikely to see much activity as investors will stay on the sidelines ahead of the Hari Raya holiday as the market was expected to be closed for three days for Hari Raya celebration which was expected to start on Wednesday.

"Most players are already in a festive mood and the volume will not be high," he told Bernama. For the week just-ended, the futures market was mixed on bargain hunting and profit-taking. New spot month July 2016 and August 2016 stood at 1,646.0 and 1,641.0 respectively while September 2016 and December gained 20 points each to 1,636.5 and 1,627.0 respectively.

Turnover decreased to 4,766 lots from 37,187 lots last week while open interests fell to 38,154 contracts versus 59,791 contracts previously. The benchmark FBM KLCI settled at 1,646.22, up 12.17 points, from 1634.05 last Friday.

CPO Futures Likely To See Quiet Trading

By Zarul Effendi Razali

KUALA LUMPUR -- Crude palm oil (CPO) futures contracts on Bursa Malaysia Derivatives are expected to see quiet trading next week, dealers said. Interband Group of Companies Senior Trader, Jim Teh, said most traders were expected to be inactive due to the holiday-shortened week.

If the Hari Raya falls on Wednesday and Thursday, the civil servants will get another day off on Friday.

"The traders are expected to take leave for the rest of the week," he told Bernama. Teh expected the prices of the CPO futures to be between RM2,300 and RM2,400 a tonne next week.

On a Friday-to-Friday basis, July 2016 delivery fell RM64 to RM2,406 per tonne, August 2016 declined RM33 to RM2,380 per tonne, September 2016 eased RM20 to RM2,359 per tonne and October 2016 was RM16 lower at RM2,349 per tonne. Weekly turnover rose to 233,007 lots from 226,919 lots last week.

Open interest fell to 278,731 contracts from 319,239 contracts previously. On the physical market, July South was RM40 lower at RM2,440 per tonne from last Friday's RM2,48 per tonne.

Rubber Market To Weaken Further

KUALA LUMPUR -- The Malaysian rubber market is expected to weaken further next week on lack of fresh catalysts from its regional peers, strengthening of the ringgit and cautious movements of crude oil prices.

A dealer said the commodity prices were expected to be range-bound on the back of the current firmer trend of the ringgit against the US dollar. "Additionally, the local market will likely move in line with the Tokyo Commodity Exchange (TOCOM)," he said.

The benchmark TOCOM rubber futures were easier on Friday, as slumping oil prices outweighed the softer yen and dampened investors sentiment.

On a Friday-to-Friday basis, the Malaysian Rubber Board's official physical price for tyre-grade SMR 20 rose three sen to 506.50 sen per kg while latex-in-bulk fell 12.5 sen to 436 sen per kg. The 5 pm unofficial closing price for SMR 20 gained 9.5 sen to 508.5 sen per kg while latex-in-bulk was 5.5 sen easier at 435 sen per kg.

KLIBOR Futures Expected To Remain Untraded

KUALA LUMPUR -- The three-month Kuala Lumpur Interbank Offered Rate (KLIBOR) futures contracts on Bursa Malaysia Derivatives are expected to remain untraded next week due to lack of trading interest. The futures market was also untraded for the week just-ended with open interest remaining nil.

On a week-to-week basis, new spot month July 2016 and August 2016 remained pegged at 96.35 while September 2016 and December 2016 stood at 96.40. The underlying three-month KLIBOR on the cash market was unchanged at 3.65 per cent.

KLTM To See Flat Trading

KUALA LUMPUR -- The Kuala Lumpur Tin Market (KLTM) is likely to see flat trading in the holiday-shortened period next week following Hari Raya Aidilfitri celebration, dealers said.

A dealer said the local tin market was likely to trade between US$17,000 and US$17,100 per tonne in a three-day trading week on lack of leads. The market will be trading on Monday, Tuesday and Friday while closing on July 6 and July 7 for Hari Raya Aidilfitri celebration.

For the week just-ended, the tin price ended US$50 lower at US$17,080 a tonne compared with US$17,130 a tonne last Friday. Weekly turnover increased to 298 lots from 148 lots last week. On a Friday-to-Friday basis, the differential between the KLTM and LME was at a premium of US$30 a tonne from a discount of US$120 a tonne.

Gold Futures To Trend Lower

KUALA LUMPUR -- Gold futures contracts on Bursa Malaysia Derivatives are expected to trend lower next week as the ringgit is likely to continue strengthening, said a dealer.

Phillip Futures Sdn Bhd Dealer, Ler Wee Liang, said a stronger ringgit would make ringgit-based gold more expensive and less attractive to the foreign buyers. Another dealer said the gold market would likely see quiet trading ahead of Hari Raya Aidilfitri celebration next week.

On a Friday-to-Friday basis, July 2016 declined eight ticks to RM172.50 a gramme, August 2016 and September 2016 were flat RM173.20 and RM173.55 a gramme respectively while October 2016 rose 10 ticks to RM174.40 a gramme. June 2016 ended the week at RM170.70 a gramme.

Weekly turnover declined to 107 lots worth RM1.58 million from 264 lots worth RM3.90 million last Friday. Open interest on Friday fell to 292 contracts from 493 contracts previously.